

OMNIBUS BUDGET RECONCILIATION ACT OF 1990

R E P O R T

OF THE

COMMITTEE ON THE BUDGET HOUSE OF REPRESENTATIVES

TO ACCOMPANY

H.R. 5835

A BILL TO PROVIDE FOR RECONCILIATION PURSUANT TO SECTION 4 OF THE CONCURRENT RESOLUTION ON THE BUDGET FOR THE FISCAL YEAR 1991

together with

ADDITIONAL, MINORITY, AND DISSENTING VIEWS



OCTOBER 16 (legislative day, OCTOBER 15), 1990.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

35-027

WASHINGTON : 1990

CONTENTS

	Page
Statement of the Committee on the Budget	1
Reporting of the Bill	1
Title I—Committee on Agriculture:	
Letter of Transmittal	3
Report to Accompany Recommendations from the Committee on Agriculture	3
Title II—Committee on Banking, Finance and Urban Affairs:	
Letter of Transmittal	17
Report to Accompany Recommendations from the Committee on Banking, Finance and Urban Affairs	17
CBO Cost Estimates	31
Title III—Committee on Education and Labor:	
Letter of Transmittal	35
Report to Accompany Recommendations from the Committee on Education and Labor	35
CBO Cost Estimates	60
Title IV—Committee on Energy and Commerce:	
Letter of Transmittal	63
Report to Accompany Recommendations from the Committee on Energy and Commerce	63
CBO Cost Estimates	67
Title V—Committee on Interior and Insular Affairs:	
Letter of Transmittal	153
Report to Accompany Recommendations from the Committee on Interior and Insular Affairs	153
CBO Cost Estimates	154
Title VI—Committee on Judiciary:	
Letter of Transmittal	159
Report to Accompany Recommendations from the Committee on Judiciary	159
CBO Cost Estimates	162
Title VII—Committee on Merchant Marine and Fisheries:	
Letter of Transmittal	163
Report to Accompany Recommendations from the Committee on Merchant Marine and Fisheries	164
CBO Cost Estimates	167
Title VIII—Committee on Post Office and Civil Service:	
Letter of Transmittal	169
Report to Accompany Recommendations from the Committee on Post Office and Civil Service	174
CBO Cost Estimates	195
Title IX—Committee on Public Works and Transportation:	
Letter of Transmittal	199
Report to Accompany Recommendations from the Committee on Public Works and Transportation	199
CBO Cost Estimates	205
Title X—Committee on Science, Space, and Technology:	
Letter of Transmittal	209
Report to Accompany Recommendations from the Committee on Science, Space, and Technology	209
CBO Cost Estimates	215
Title XI—Committee on Veterans' Affairs:	
Letter of Transmittal	217

TITLE A—MISCELLANEOUS

charges

Section 4219 of the Revised Statutes of the U.S.C.) to increase the tonnage charges vessels arriving in the United States from

increase the existing tonnage charge for all of the United States from any foreign port in Central America, part of South America, that geographical area to 27 cents per ton, charged more than a total of \$1.35 per ton current rate for vessels arriving from ports in that area is 2 cents per ton, with a maximum of 1 cent per ton. The proposal would also increase the tonnage charge for vessels entering U.S. ports from other foreign ports to 27 cents per ton, but no vessel would be charged more than 27 cents per ton in any year. The current rate for vessels entering U.S. ports from that geographic area is 6 cents with a maximum of 27 cents per year.

The tonnage charges first collected by the United States in 1909 are similar to the tonnage duties now in effect have not changed. Presently, all United States and foreign vessels entering U.S. ports or places are required to pay tonnage charges with certain exceptions. Vessels in distress or on a voyage of trade are not required to pay charge. Also, fishing vessels are specifically exempted from tonnage charges. The tonnage charge proposed by this legislation is calculated to be 1 percent of the consumer price index since 1909 and is to be offset by the States Treasury as offsetting receipts and the Coast Guard.

The proposal is found in Title 46 of the United States Code and the rules of the House is properly of the Merchant Marine and Fisheries Committee. Section 1(n) of the Rules of the House of Representatives at the Committee's jurisdiction extends to tonnage charges and penalties on vessels.

Coast Guard user fees

There is an existing prohibition on the imposition of user fees on the Coast Guard. It would allow the Coast Guard to charge for services, including inspection and examination of masters, mates, pilots and engineers, and discharge of seamen. The Administration has proposed a budget for Fiscal Year 1991. In addition, the Administration has proposed a \$25 annual charge on all vessels, including all sizes. The Committee has not recommended the charge because it is not related reasonably to the service.

Environmental Protection Agency user fees

The Administrator of the Environmental Protection Agency has proposed \$22 million in permit fees, including per-

imits issued under the Clean Water Act, during fiscal year 1991. The Administrator is directed to raise \$33 million in each subsequent fiscal year. These fees are authorized to offset the administrative costs of specific regulatory programs.

Section 7104—Authority to Acquire Real Property and Improvements in Hampton Roads, VA

The National Oceanic and Atmospheric Administration (NOAA) must soon make decisions about the long-term placement of several of their marine operation activities due to expiring leases and deteriorating facilities. This amendment provides NOAA with additional options needed to make the best decision on where, or whether, to consolidate and relocate certain of these facilities within the cities of Norfolk or Newport News, Virginia. The amendment gives NOAA the authority to exchange government-owned land and buildings for other assets or to lease facilities in Norfolk or Newport News, Virginia. The amendment requires that any action be in the best interest of the United States and that leased property be transferred to the government at the end of the lease. This amendment does not require that NOAA take any specific action, but gives the agency needed flexibility.

Section 7105—The Merchant Mariners Fairness Act

This section extends, from August 15, 1945, to December 31, 1946, the qualifying period for determining the veterans' status of United States merchant mariners who served the Armed Forces during World War II. It specifically includes those who served as vessel crew members of the U.S. Army Transport Service. The Secretary of Defense is directed to issue an honorable discharge to qualifying individuals within 1 year of enactment.

It also defines "qualified service" as employment by U.S. merchant mariners aboard U.S. vessels operating in waters other than the inland waters of the United States, under contract or charter to, or property of, the United States, during the period beginning December 7, 1941, and ending December 31, 1946. The amendment would also require that each person who submits an application for veterans status will be assessed a one-time processing fee of \$100. Payment of benefits to any person for any period prior to enactment is prohibited.

Section 7106—Relinquishment of rights and interests of the United States under easement

The purpose of this section is to require the United States Fish and wildlife Service (F&WS) to relinquish under certain circumstances a conservation easement affecting 3,800 acres of land in Wood County, Texas, in order to resolve a dispute between the Sabine River Authority and the Little Sandy Hunting and Fishing Club. The hunting club had donated the conservation easement to the F&WS for inclusion into the National Wildlife Refuge System. Subsection (a) requires the Secretary of the Interior to take the necessary steps to relinquish the conservation easement within 60 days after delivery of a copy of a permit from the Texas Water Commission, or its successor agency should that state agency be reorganized, authorizing the impoundment of water on the hunting

club property. The obligation of the Secretary to relinquish the conservation easement would run for a maximum period of 15 years and would expire on January 1, 2005, if no permit for impoundment had previously been granted and presented to the Secretary.

The provisions of the National Wildlife Refuge System Administration Act are overridden and any of the provisions of that Act are precluded from serving as the basis for preventing state officials access to the hunting club for purposes of conducting preliminary feasibility studies for water resource project proposals. This section does not, however, create a new right of access for state officials that does not otherwise exist under state law.

SUBTITLE B—COASTAL ZONE MANAGEMENT ACT REAUTHORIZATION

In this subtitle of its report to the Budget Committee, the Merchant Marine and Fisheries Committee added the text of H.R. 4450, as passed by the House of Representatives by a 391-32 vote on September 26, 1990, with an amendment to strike section 307(j) and insert a new subsection on Federal fees.

This amendment requires that the Under Secretary of Commerce for Oceans and Atmosphere charge an application fee of at least \$200 for "minor" appeals and at least \$500 for "major" appeals under section 307(d). Furthermore, the Under Secretary is required to collect such other fees as needed to recover the full administrative cost of each appeal under that section. In the CZMA bill that passed the House, this subsection is permissive and there is no distinction between minor and major appeals.

The appeals process under section 307(d) is a "service" to private applicants for federal licenses or permits. If a state objects to issuance of a federal license or permit (e.g., an exploration plan under the Outer Continental Shelf Lands Act) because it is not consistent with that state's federally approved coastal zone management program, then the federal agency may not issue the permit and the activity may not proceed. However, the applicant may appeal to the Under Secretary to "override" the state so that the activity may proceed notwithstanding the objection. The Under Secretary is the only official authorized to override a state's objection under section 307(d).

Based on technical guidance from the National Oceanic and Atmospheric Administration, the Committee has determined that the average cost of a minor appeal is slightly less than \$2,000. A major appeal costs about \$9,000 on average. However, where a public hearing is required the average cost is about \$5,000 higher. Currently, 28 appeals are pending, and the agency receives between 20 and 40 appeals annually. The provision applies only to future appeals.

In the judgment of the Committee on Merchant Marine and Fisheries, based on informal discussions with the Congressional Budget Office and NOAA, the text of H.R. 4450 with the mandatory federal fee provision will result in positive savings, although the amount is quite small. Nonetheless, since this provision will result in deficit reduction, albeit small, the Committee has included it in its reconciliation report.

For a legislative history of the text of the CZMA title, other than the new subsection on federal fees described above, see pages H-8068-8103 of the Congressional Record, September 26, 1990.

SUBTITLE C—CLEAN BEACHES

This subtitle incorporates the text of H.R. 4333, as reported from the Committee on Merchant Marine and Fisheries on October 10, 1990. The purpose of this subtitle is to require uniform procedures for beach testing and monitoring to protect public safety and improve the environmental quality of coastal recreation waters. For a more detailed discussion of this legislation, see House Report 101-844, Part I.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 14, 1990.

Hon. WALTER B. JONES,
*Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate of legislation intended to meet your Committee's reconciliation instructions as specified in the fiscal year 1991 budget resolution. Included in the estimate are the following provisions:

VESSEL TONNAGE DUTIES

Section 7101 would amend Title 46 of the United States Code to increase vessel tonnage charges collected by the U.S. Customs Service. The additional amounts collected would be deposited to the general fund of the U.S. Treasury as offsetting receipts and ascribed to U.S. Coast Guard (USCG) activities.

USCG USER FEES

Section 7102 would repeal the existing prohibition on the collection of certain user fees.

ENVIRONMENTAL PROTECTION AGENCY (EPA) USER FEES

Section 7103 would direct EPA to collect fees amounting to \$22 million in 1991 and \$33 million annually over the 1992-1995 period for services related to water pollution control, pesticide registration, toxic chemical notifications, radon proficiency, vehicle engine certificates, and fuel economy testing.

NOAA PROPERTY ACQUISITIONS

Section 7104 would authorize the acquisition by lease or lease-purchase of property and improvements in Virginia for facilities of the National Oceanic and Atmospheric Administration (NOAA).

MERCHANT MARINERS FAIRNESS ACT OF 1990

Section 7105 would extend the qualifying period for determining the active military status of certain merchant mariners who served during World War II. The legislation would direct the Secretary of

Defense to issue honorable discharge documents to qualifying veterans within one year of enactment. Each qualifying member would be entitled to all benefits administered by the Department of Veterans Affairs. This section would require USCG to collect a \$100 fee for each application processed.

DEPARTMENT OF COMMERCE (DOC) APPEAL FEES

Subtitle B of the legislation would require the Department of Commerce to charge fees for processing appeals under section 307 of the Coastal Zone Management Act. The title would set minimum application fees and require the Secretary to collect other amounts as necessary to recover the full costs of such appeals.

Other bill provisions would affect only authorization levels and would result in no savings to the federal government.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Deborah Reis and Kim Cawley, who can be reached at 226-2860.

Sincerely,

C.G. NUCKOLS
(For Robert D. Reischauer, Director).

ESTIMATED BUDGET IMPACT OF RECONCILIATION RECOMMENDATIONS OF THE HOUSE COMMITTEE ON MERCHANT MARINE AND FISHERIES

[By fiscal year, in millions of dollars]

	1991	1992	1993	1994	1995	1991-95
Vessel tonnage charges:						
Estimated budget authority	-190	-190	-190	-190	-190	-950
Estimated outlays	-190	-190	-190	-190	-190	-950
Coast Guard fees:						
Estimated budget authority	-28	-34	-36	-37	-38	-173
Estimated outlays	-28	-34	-36	-37	-38	-173
EPA user fees: ¹						
Estimated budget authority	-21	-31	-31	-31	-31	-145
Estimated outlays	-21	-31	-31	-31	-31	-145
NOAA property acquisition:						
Estimated budget authority	(*)	(*)	(*)	(*)	(*)	(*)
Estimated outlays	(*)	(*)	(*)	(*)	(*)	(*)
Merchant Marines Fairness Act of 1990:						
Estimated budget authority ²	-1	1	1	1	1	3
Estimated outlays ²	-1	1	1	1	1	3
Coastal zone management fees:						
Estimated budget authority	(*)	(*)	(*)	(*)	(*)	(*)
Estimated outlays	(*)	(*)	(*)	(*)	(*)	(*)
Total:						
Estimated budget authority ³	-240	-254	-256	-257	-258	-1,265
Estimated outlays ⁴	-240	-254	-256	-257	-258	-1,265

¹ Amounts shown in the table are less than the amounts specified in Section 7103 because fees collected for EPA's radon program are already included in the budget resolution baseline.

² CBO does not presently have sufficient information to estimate the budgetary effect of Section 7104, but it could result in a significant amount of direct spending because it authorizes a lease-purchase arrangement.

³ These amounts include the estimated cost of providing certain veterans benefits to qualified members of the merchant marine.

⁴ Less than \$500,000.

ADDITIONAL VIEWS OF RICHARD GEPHARDT AND LEON E. PANETTA

We have discussed with the Congressional Black Caucus the need for greater investment in the areas of education, health, science and housing. We agree that every effort must be made to advance legislatively in budget resolutions, authorizing bills and appropriation bills funding levels which will achieve the goals set forth for the following functions:

INTERNATIONAL AFFAIRS (150)

Increases over current services provided for under this function should reach, at least, \$1.8 billion in Budget Authority and \$1.7 billion in Outlays by FY 1993 and, to the degree possible, be targeted for Southern African Development Assistance, Ethiopia/Sudan Famine Relief, the PL480 program and Refugee Assistance programs.

GENERAL SCIENCE, SPACE AND TECHNOLOGY (250)

Increases over current services provided for under this function should reach, at least, \$500 million in Budget Authority and \$400 million in Outlays by FY 1993 and, to the degree possible, be targeted for Science and Technology programs for Historically Black Colleges and Universities.

ENERGY (270)

Increases over current services provided for under this function should reach, at least, \$500 million in Budget Authority and \$400 million in Outlays by FY 1993 and, to the degree possible, be targeted for Hispanic and Historically Black Colleges and University consortia agreements with the Department of Energy.

COMMERCE AND HOUSING CREDIT (370)

Increases over current services provided for under this function should reach, at least, \$2 billion in Budget Authority and \$2 billion in Outlays by FY 1993 and, to the degree possible, be targeted for the programs of the Gonzalez, Dellums and Conyers housing bills (H.Rs. 5157, 1122 and 969)

COMMUNITY AND REGIONAL DEVELOPMENT (450)

Increases over current services provided for under this function should reach, at least, \$2.6 billion in Budget Authority and \$300 million in Outlays by FY 1993 and, to the degree possible, be targeted for the programs of the Urban Homesteading Act (H.R. 1181)

EDUCATION AND TRAINING (500)

Increases over current services provided for under this function should reach, at least, \$2.4 billion in Budget Authority and \$2.0 billion in Outlays by FY 1993 and, to the degree possible, be targeted to fund the Carl D. Perkins Vocational Education Act, the School Lunch and Child Nutrition Act, Head Start and Handicapped Education, to create Educational R&D Districts for educational research and development, Youth Incentive, Employment, Drop-Out Prevention and Anti-Gang Violence programs, and to create a new government guaranteed bond program to raise capital improvement funds for private Historically Black Colleges and Universities

INCOME SECURITY (600)

Increases over current services provided for under this function should reach, at least, \$1.5 billion in Budget Authority and \$1.5 billion in Outlays by FY 1993 and, to the degree possible, be targeted to fund WIC, School Breakfast and Child Care Food programs, AFDC Assistance and Community Food Nutrition, AFDC Work Activities, Job Opportunities and Basic Skills (JOBS) Training and Snack to Child Care and Temporary Emergency Food Assistance programs

VETERANS BENEFITS AND SERVICES (700)

Increases over current services provided for under this function should reach, at least, \$500 million in Budget Authority and \$500 million in Outlays by FY 1993 and, to the degree possible, be targeted for expanding Education, Training and Rehabilitation and for increases in Veterans Housing, Hospital and Medical benefits

We look forward to working with the Congressional Black Caucus on this important matter.

